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July 31, 2007

VIA ELECTRONIC FILING

Mr. Charles L.A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Application of South Carolina Electric and Gas Company for Authority to Issue and Sell from Time to Time Not Exceeding \$525,000,000 Aggregate Principal Amount of First Mortgage Bonds and to Issue and Sell Exceeding 4,800,000 Shares of Preferred Stock
Docket No. 2007-268-E.

Dear Mr. Terreni:

The Office of Regulatory Staff ("ORS") has reviewed the application by South Carolina Electric and Gas Company ("the Company") referenced above. The application is to issue and sell over time bonds worth not more than \$525 million. These bonds would be secured by substantially all electric generation, transmission and distribution properties. The terms of the bonds will not exceed 35 years from the dates of their issuance and the Company does not estimate their interest rate will exceed 9.9%. The Company also proposes to issue and to sell no more than 4,800,000 new shares of preferred stock. The Company does not expect the dividend rate, as determined by the market, to exceed 8%.

I am writing to inform the Public Service Commission of South Carolina that ORS has no objection to the Company's proposed issuance of the bonds or preferred stock.

Sincerely,


John W. Flitter

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette Edwards, Chief Counsel and
Director of Legal Services, SC ORS
Shannon Bowyer Hudson, Counsel, SC ORS
Chad Burgess, Counsel, SCE&G
Dr. James Spearman, Executive Assistant to SCPSC

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